



UNIVERSITI KUALA LUMPUR
Malaysian Institute of Marine Engineering Technology

FINAL EXAMINATION
MARCH 2025 SEMESTER SESSION

SUBJECT CODE : LOB20903 / LGB23003

SUBJECT TITLE : MANAGEMENT ACCOUNTING AND FINANCE

PROGRAMME NAME : BACHELOR IN MARITIME OPERATIONS (HONOURS)
(FOR MPU: PROGRAMME LEVEL)

TIME / DURATION : 2.00 PM - 5.00 PM
(3 HOURS)

DATE : 25 JUNE 2025

INSTRUCTIONS TO CANDIDATES

1. Please read **CAREFULLY** the instructions given in the question paper.
 2. This question paper has information printed on both sides of the paper.
 3. This question paper consists of **TWO (2)** sections; Section A and Section B.
 4. Answer **ALL** question in Section A, and **THREE (3)** questions **ONLY** in Section B.
 5. Please write your answers on the answer booklet provided.
 6. Answer **ALL** questions in English language **ONLY**.
 7. Formula and Discount Table have been appended for your reference.
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THERE ARE 8 PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

SECTION A (Total: 40 marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 1

The Manager of East Blue Traders Sdn Bhd has appointed you to prepare the account and take up the necessary adjustments before finalizing the year end closing. You have been given the following trial balance as at 31 December 2024:

Table 1: Trial Balance as at 31 December 2024.

Items	Dr	Cr
	(RM)	(RM)
Computer at cost	10,000	
Vehicle at cost	13,000	
Purchases	80,000	
Sales		200,000
Opening stocks	10,000	
Investment at cost	16,000	
Water and electricity expenses	20,000	
Commission received		2,500
Rental income		2,500
Debtors	125,000	
Creditors		8,000
Rental expenses	2,000	
Bank	27,600	
Cash	6,500	
Other creditors		6,100
Bank charges	3,000	
Owing to director		6,000
Retained earning		48,000
Capital		50,000
Drawings	10,000	
Total	323,100	323,100

Additional information:

- i) Stocks on 31 December 2024: RM8,000.
- ii) Company assets are to be depreciated at the following rates:

Computer	-	10% per annum on cost.
Vehicle	-	20% per annum on cost.
- iii) At the end of the year, the company still owes NeoComm Sdn Bhd RM5,000 in phone expenses.
- iv) On 31 December 2024, there was a specific bad debt of RM25,000 which should be written off from the trade debtors. The provision for doubtful debts is to be set at 10% of trade debtors as at the end of the year.

Based on Table 1: Trial Balance as at 31 December 2024 and additional information, prepare the following:

- (a) A Statement of Comprehensive Income (Profit & Loss) for the year ended 31 December 2024.

(9 marks)
- (b) A Statement of Financial Position as at 31 December 2024.

(11 marks)

Question 2

The company financial statement should be presented in the Finance Committee Meeting every year. You are required to assist the account assistant to take up some adjustment as required by your manager. The following balances have been extracted from the books of Nantucket Ocean Lines Sdn Bhd for the year ended to 31 December 2022:

Table 2: Trial Balance as at 31 December 2022.

Items	Dr	Cr
	(RM)	(RM)
Sales		800,000
Purchases	272,800	
Opening stocks	100,000	
Debtors	274,400	
Creditors		424,000
Directors remuneration	30,000	
Machine:		
At cost	800,000	
Other debtors	14,000	
Utilities	26,000	
Investment income		50,000
Cash in hand	15,500	
Preferences shares cumulative at 10% shares of RM1 each		150,000
Profit and loss account on 1 January 2022		344,000
Bank	396,300	
Repair expenses	24,000	
Investments at cost	240,000	
Share capital issued and fully paid ordinary shares of RM1 each		600,000
Share premium account		25,000
Salaries and Wages	200,000	
Total	2,393,000	2,393,000

Additional information:

- i) Closing stocks were valued at RM125,000.
- ii) Depreciation for the year is 10% for machine.
- iii) A provision of RM8,000 is required for the auditor's fee.

- iv) Including in the repairs expenses was an advance amounted of RM1,000.
- v) Corporate Tax owing on 31 December 2022 is estimated to be RM71,000.
- vi) The directors propose an ordinary dividend of RM0.05 sen per share and preference dividend amounted to RM5,000.

Based on Table 2: Trial Balance as at 31 December 2022 and additional information, prepare the following:

- (a) Nantucket Ocean Lines Sdn Bhd's Statement of Comprehensive Income (Profit & Loss) for the year ended 31 December 2022.

(9 marks)

- (b) Nantucket Ocean Lines Sdn Bhd's Statement of Financial Position as at 31 December 2022.

(11 marks)

SECTION B (Total: 60 marks)

INSTRUCTION: Answer only THREE (3) questions.
Please use the answer booklet provided.

Question 3

The following question is pertaining to Capital Investment.

KrakenHaul Logistics Sdn Bhd is considering investing in new machine A and B, only one of which can be financed. Both machines will be purchased at a cost of RM500,000. It is estimated that it will last for five years. The respective net cash flows estimated to be received by the company as a result of purchasing the machine during each year of its life are as follows:

Table 6: Expected net cash flows.

	Machine	
	A	B
Expected life (years)		
	RM	RM
	'000	'000
Initial outlay	500	500
Expected net cash flows		
Year		
1	200	50
2	200	200
3	70	225
4	50	225
5	50	100

The company's required rate of return is 15%.

Based on the information above.

Propose the management on which project to accept using the following investment appraisal methods:

- (a) Payback (10 marks)
- (b) Net Present Value (NPV) (10 marks)

Question 4

The following question is related to Direct Cost.

The Cape Cod Nauticals Sdn Bhd is a small manufacturing company. During the year to 31 December 2022, it was taken into stock and issued to production the foam to produce boat sunpad.

Table 5: Stock card

<i>Date 2022</i>	<i>Receipts into stock</i>			<i>Issues to production Quantity (meter)</i>
	<i>Quantity (meter)</i>	<i>Price per unit RM</i>	<i>Total value RM</i>	
January	200	2.00	400	
February				100
April	400	3.00	1200	
May				300
June	500	4.00	2000	
July				500
October	900	4.00	3600	
December				1000

Notes:

The opening stocks of foam = 200 meters @ RM2.00/unit.

Based on Table 5: Stock card, prepare the following:

Calculate the value of closing stock on 31 December 2022 using continuous weighted average (CWA) methods of pricing the issue of materials to production.

(20 marks)

Question 5

The following question is related to Decision Making.

Ocean Drift Sdn Bhd has been asked to quote for a special order. The details are as follows:

- Prices are to be quoted at order levels of 50,000, 100,000 and 150,000 units respectively. Veve has some surplus capacity and it could deal with up to 160,000 units.
- Each unit would cost RM2 for direct materials and RM12 for direct labour.
- Veve normally absorbs production and non-production overhead on the basis of 200 per cent and 100 per cent respectively of the direct labour cost.
- Distribution costs are expected to be RM10 per unit.
- Veve's normal profit margin is 20 per cent of the total cost. However, it is prepared to reduce this margin to 15 per cent if the order is for 100,000 units, and to 10 per cent for an order of 150,000 units.

The additional non-production overhead associated with this contract would be RM200,000, although this would be cut by RM25,000 if the output dropped below 100,000 units.

Based on the events above, prepare the following:

- (a) Suggest a selling price per unit that Ocean Drift Sdn Bhd might charge if the contract was for 50,000, 100,000 and 150,000 units, respectively.
(15 marks)
- (b) State the profit that it could expect to make at 50,000, 100,000 and 150,000 units levels and state which order you would recommend. Explain.
(5 marks)

Question 6

The following balances have been extracted from the books of the S&S Global Cargo Company as at 30 April 2023:

Table 5: Account balances.

	RM
Direct wages	70,000
Factory equipment at cost	400,000
General factory expenses	13,000
Stocks at 1 May 2022:	
Raw material	12,000
Work-in-progress	18,000
Stocks at 30 April 2023:	
Raw material	14,000
Work-in-progress	16,000
Purchases of raw materials	100,000
Utilities (factory 75%, general 25%)	52,000
Rental (factory 2/3, general 1/3)	42,000

The factory equipment is to be depreciated at a rate of 10 per cent per annum on cost.

Based on the information above,

Prepare the S&S Global Cargo Company's manufacturing account for the year to 30 April 2023.

(20 marks)

END OF EXAMINATION PAPER

Formula

- Sales – variable cost of sales = contribution
- Contribution – fixed costs = profit/(loss)
- Break-even (B/E) point = contribution – fixed costs
- B/E in sales value terms = $\frac{\text{fixed costs} \times \text{sales}}{\text{contribution}}$
- B/E in units = $\frac{\text{fixed costs}}{\text{contribution per unit}}$
- Margin of safety (M/S) in sales value terms = $\frac{\text{profit} \times \text{sales}}{\text{contribution}}$
- M/S in units = $\frac{\text{profit}}{\text{contribution per unit}}$

Abbreviation:

$$S - V = C$$

$$C - F = P/(L)$$

$$C = F$$

$$\frac{F \times S}{C}$$

$$\frac{F}{C \text{ per unit}}$$

$$\frac{P \times S}{C}$$

$$\frac{P}{C \text{ per unit}}$$

Present value of RM1 received after n years discounted at i %

i %	1	2	3	4	5	6	7	8	9	10
1	0.9901	0.9804	0.9709	0.9615	0.9524	0.9434	0.9346	0.9259	0.9174	0.9091
2	0.9803	0.9612	0.9426	0.9246	0.9070	0.8900	0.8734	0.8573	0.8417	0.8264
3	0.9706	0.9423	0.9151	0.8890	0.8638	0.8396	0.8163	0.7938	0.7722	0.7513
4	0.9610	0.9238	0.8885	0.8548	0.8227	0.7921	0.7629	0.7350	0.7084	0.6830
5	0.9515	0.9057	0.8626	0.8219	0.7835	0.7473	0.7130	0.6806	0.6499	0.6209
6	0.9420	0.8880	0.8375	0.7903	0.7462	0.7050	0.6663	0.6302	0.5963	0.5645
i %	11	12	13	14	15	16	17	18	19	20
1	0.9009	0.8929	0.8850	0.8772	0.8696	0.8621	0.8547	0.8475	0.8403	0.8333
2	0.8116	0.7929	0.7831	0.7695	0.7561	0.7432	0.7305	0.7182	0.7062	0.6944
3	0.7312	0.7118	0.6931	0.6750	0.6575	0.6407	0.6244	0.6086	0.5934	0.5787
4	0.6587	0.6355	0.6133	0.5921	0.5718	0.5523	0.5337	0.5158	0.4987	0.4823
5	0.5935	0.5674	0.5428	0.5194	0.4972	0.4761	0.4561	0.4371	0.4190	0.4019
6	0.5346	0.5066	0.4803	0.4556	0.4323	0.4104	0.3898	0.3704	0.3521	0.3349